

graph, any action to enforce such cause of action shall be forever barred unless commenced either within the period of suspension or within the four-year period referred to in paragraph (1) of this section.

(Pub. L. 91-607, title I, §106(g), Dec. 31, 1970, 84 Stat. 1768.)

§ 1978. Actions under other Federal or State laws unaffected; regulations or orders barred as a defense

Nothing contained in this chapter shall be construed as affecting in any manner the right of the United States or any other party to bring an action under any other law of the United States or of any State, including any right which may exist in addition to specific statutory authority, challenging the legality of any act or practice which may be proscribed by this chapter. No regulation or order issued by the Board under this chapter shall in any manner constitute a defense to such action.

(Pub. L. 91-607, title I, §106(h), Dec. 31, 1970, 84 Stat. 1768.)

CHAPTER 23—FARM CREDIT SYSTEM

Sec.	
2001.	Congressional declaration of policy and objectives.
2002.	Farm Credit System.
	(a) Composition.
	(b) Farm credit districts.

SUBCHAPTER I—FARM CREDIT BANKS

2011.	Establishment, charters, titles, branches.
	(a) Establishment.
	(b) Charters.
	(c) Title.
	(d) Branches.
2012.	Board of directors.
2013.	General corporate powers.
2014.	Farm Credit Bank capitalization.
2015.	Lending authority.
	(a) Real estate loans and related assistance.
	(b) Intermediate credit.
2016.	Interest rates and other charges.
	(a) In general.
	(b) Setting rates and charges.
2017.	Eligibility.
2018.	Security; terms.
	(a) Real estate loans.
	(b) Intermediate credit.
2019.	Purposes for extensions of credit.
	(a) Agricultural or aquatic purposes.
	(b) Rural housing financing.
	(c) Farm-related services.
2020.	Related services.
	(a) In general.
	(b) Authority to pass along cost of insurance premiums.
2021.	Loans through associations or agents.
	(a) In general.
	(b) No active association.
	(c) Purchase of stock required.
2022.	Liens on stock.
2023.	Taxation.

SUBCHAPTER II—FARM CREDIT ASSOCIATIONS

PART A—PRODUCTION CREDIT ASSOCIATIONS

2071.	Organization and charters.
-------	----------------------------

Sec.

	(a) Charter.
	(b) Organization.
2072.	Board of directors.
2073.	General corporate powers.
2074.	Production credit association capitalization.
	(a) In general.
	(b) Application of earnings.
	(c) Patronage.
2075.	Short- and intermediate-term loans; participation; other financial assistance; terms; conditions; interest; security.
	(a) Short- and intermediate-term loans.
	(b) Rural housing.
	(c) Interest rates and charges.
	(d) Special district rule.
2076.	Other services.
2076a.	Liens on stock.
2077.	Taxation.

PART B—FEDERAL LAND BANK ASSOCIATIONS

2091.	Organizations; articles; charters; powers of the Farm Credit Administration.
	(a) Charter.
	(b) Organizations.
	(c) FCA authority on organization.
2092.	Board of directors.
2093.	General corporate powers.
2094.	Federal land bank association capitalization.
2095.	Repealed.
2096.	Agreements for sharing gains or losses.
2097.	Liens on stock.
2098.	Taxation.

SUBCHAPTER III—BANKS FOR COOPERATIVES

PART A—BANKS FOR COOPERATIVES

2121.	Establishment; titles; branches.
2122.	Corporate existence; general corporate powers.
2123.	Board of directors.
2124.	Stock of banks for cooperatives.
	(a) Amount.
	(b) Value.
	(c) Eligible holders of voting stock.
	(d) Entitlement to vote.
	(e) Nonvoting investment stock.
	(f) Participation certificates.
2125.	Dividends.
2126.	Retirement of stock.
2127.	Guaranty fund subscriptions in lieu of stock.
2128.	Loans, commitments, and technical and financial assistance.
	(a) Authorities.
	(b) Additional authorities.
	(c) Applicable policies.
	(d) Regulatory limitations.
	(e) Speculative futures transactions.
	(f) Installation, expansion, or improvement of water and waste disposal facilities.
2129.	Eligibility.
2130.	Ownership of stock by borrowers.
2131.	Loans.
	(a) Interest rates and charges.
	(b) Security.
	(c) Lien.
	(d) Cancellation; application on indebtedness.
2132.	Earnings and reserves; application of savings.
	(a) Application of savings.

Sec.		Sec.	
	(b) Patronage refunds.	2158.	Purchase and sale by Federal Reserve System.
	(c) Savings of Central Bank for Co-operatives.	2159.	Purchase and sale of obligations; additional powers.
	(d) Loss carryover.	2160.	Federal Farm Credit Banks Funding Corporation.
	(e) Charge of unrecognized costs or expenses to reserve, surplus, or patronage allocations.		(a) Establishment.
	(f) Payment of patronage refunds in cash.		(b) Duties.
2133.	Distribution of assets on liquidation or dissolution.		(c) Officers and committees.
2134.	Taxation.		(d) Board of directors.
			(e) Transitional authority.
			(f) Succession.
	PART B—UNITED AND NATIONAL BANKS FOR COOPERATIVES	2161.	Repealed.
		2162.	Protection of borrower stock.
2141.	Charter, powers, and operation.		(a) Retirement of stock.
	(a) Charter.		(b) Certain powers not affected.
	(b) Powers.		(c) Inability to retire stock at par value.
	(c) Operation.		(d) Definitions.
2142.	Board of directors provisions.		PART B—DISSOLUTION
	(a) Initial board of directors.	2181, 2182.	Repealed.
	(b) Permanent board of directors.	2183.	Dissolution; voluntary or involuntary liquidation; mergers; receiverships or conservators.
	(c) Modification of board of directors provisions.		(a) Voluntary liquidation; consent of Farm Credit Administration; rules and regulations; minimization of adverse effect; voluntary merger; mandatory merger on failure to comply or meet obligations.
2143.	Credit delivery office.		(b) Appointment of conservator or receiver; grounds; action for removal; stay of actions or proceedings.
2144.	Consolidation of functions.		(c) Involuntary liquidation; rules and regulations; minimization of adverse effect.
2145.	Exchange of ownership interests.		Communications with stockholders.
2146.	Capitalization.		(a) Provision of stockholder lists.
2147.	Patronage pools.		(b) Alternative communications.
2148.	Transactions to accomplish merger.		PART C—RIGHTS OF BORROWERS; LOAN RESTRUCTURING
2149.	Lending limits.		2199.
2149a.	Reports by merged banks for cooperatives.		Disclosure.
			(a) In general.
			(b) Differential interest rates.
			Access to documents and information.
			Notice of action on application.
			(a) Loan applications.
			(b) Distressed loans.
			Reconsideration of actions.
			(a) Credit review committees.
			(b) Review of decisions.
			(c) Personal appearance.
			(d) Independent appraisal.
			(e) Notification of applicant.
			Restructuring distressed loans.
			(a) Definitions.
			(b) Notice.
			(c) Meetings.
			(d) Consideration of applications.
			(e) Restructuring.
			(f) Least cost alternative.
			(g) Restructuring policy.
			(h) Reports.
			(i) Compliance.
			(j) Permitted foreclosures.
			(k) Application of section.
			(l) Assistance in restructuring.
			Effect of restructuring on borrower stock.
			(a) Farm Credit Bank.
			(b) Production credit association.
2155.	Liability of banks; United States not liable.		
	(a) Joint and several liability of banks.		
	(b) Resolutions as to liability; execution of obligations.		
	(c) United States liability.		
	(d) Insurance Fund called on before invoking joint and several liability.	2202b.	
2156.	Repealed.		
2157.	Bonds as investments.		

Sec.		Sec.	
2202c.	(c) Retention of stock. Review of restructuring denials. (a) Requirements for restructuring by System institutions. (b) Special asset groups. (c) National Special Asset Council. (d) Report. (e) Restructuring factors.	2219e.	Liability for making criminal referrals. (a) In general. (b) No prohibition on disclosure.
2202d.	Protection of borrowers who meet all loan obligations. (a) Foreclosure prohibited. (b) Prohibition against required principal reduction. (c) Nonenforcement. (d) Placing loans in nonaccrual status.	SUBCHAPTER V—FARM CREDIT ADMINISTRATION ORGANIZATION	
2202e.	Waiver of mediation rights by borrowers.	PART A—DISTRICT ORGANIZATION	
PART D—ACTIVITIES OF INSTITUTIONS OF THE SYSTEM		2221 to 2227.	Transferred or Repealed.
2203.	Nomination of association directors; representative selection of nominees.	PART B—FARM CREDIT ADMINISTRATION ORGANIZATION	
2204.	Repealed.	2241.	Farm Credit Administration.
2205.	Interest rates.	2242.	Farm Credit Administration Board. (a) Appointment. (b) Terms of office. (c) Organization. (d) Compensation. (e) Qualifications of Farm Credit Administration Board members.
2206.	Participation loans.	2243.	Powers of Board.
2206a.	Authority of Farm Credit Banks and direct lender associations to participate in loans to similar entities for risk management purposes. (a) Definitions. (b) Loan participation authority.	2244.	Chairman; responsibilities; governing standards. (a) Chairman of Farm Credit Administration Board; power and authority. (b) Governing standards. (c) Enforcement of rules, regulations, and orders of Board; civil proceedings; representation by attorneys.
2207.	Young, beginning, and small farmers and ranchers.	2245.	Organization of Farm Credit Administration. (a) Policies of Board. (b) Appointments. (c) Personnel. (d) Funding.
2208.	Prohibition against use of signed ballots.	2246.	Advisory committees.
2209.	Compensation of bank directors. (a) In general. (b) Waiver.	2247.	Repealed.
PART E—SERVICE ORGANIZATIONS		2248.	Seal of the Farm Credit Administration.
2211.	Establishment.	2249.	Administrative expenses.
2212.	Powers of Farm Credit Administration.	2250.	Farm Credit Administration operating expenses fund. (a) Determinations required. (b) Deposits into fund.
2213.	Regulation and examination.	2251.	Quarters and facilities for the Farm Credit Administration.
2214.	State laws.	2252.	Powers and duties. (a) Enumerated powers. (b) Exclusions. (c) Proposed and final regulations; procedures applicable. (d) Legislative veto of regulations; procedures applicable.
2214a.	“Bank” defined.	2253.	Prior delegations.
PART D1—FARM CREDIT SYSTEM CAPITAL CORPORATION		2254.	Examinations. (a) Scope and frequency of examinations; power, authority, and liability of examiners. (b) Annual report of condition. (c) Report of examination of non-complying institution; publication; notice of intention. (d) Duties of Farm Credit Administration.
2216 to 2216k.	Repealed.	2255.	Conditions of other banks and lending institutions.
PART F—SALE OF INSURANCE		2256.	Consent to the availability of reports and to examinations.
2218.	Lines of insurance. (a) Regulatory authorization. (b) Contents of regulations. (c) Continuation of existing coverage.	2257.	Reports on conditions of institutions receiving loans or deposits.
PART G—MISCELLANEOUS		2257a.	Uniform financial reporting instructions. (a) In general. (b) Computerized system. (c) Submission of proposal.
2219.	Limitation on separate sale.		
2219a.	Right of first refusal. (a) General rule. (b) Application of right of first refusal to sale of property. (c) Application of right of first refusal to leasing of property. (d) Public offerings. (e) Term or condition. (f) Financing. (g) Mailing of notice. (h) State laws. (i) Applicability.		
2219b.	Application of uninsured accounts. (a) In general. (b) Regulations.		
2219c.	Affirmative action.		
2219d.	Encouragement of conservation practices.		

Sec. 2258. 2259. 2260.	Jurisdiction. State legislation. Transferred.	Sec. 2275a.	Transition rules relating to amendment of certain FCA approval authorities. (a) In general. (b) Authority to issue regulations. (c) Effect of section.
PART C—ENFORCEMENT POWERS OF FARM CREDIT ADMINISTRATION		2276.	Access to and examination by Comptroller General of books, documents, etc., of farm credit system banks and institutions.
2261. 2262. 2263. 2264.	Cease and desist proceedings. Temporary cease and desist orders. Enforcement of temporary cease and desist orders. Suspension or removal of director or officer. (a) Written notice of intention to remove; violation of law, rule, regulation, or final cease and desist order; unsafe or unsound practice; breach of fiduciary duty. (b) Written notice of intention to remove or suspend director, officer or other person; personal dishonesty; willful or continuing disregard; unfitness to continue in office or to participate in affairs of institution. (c) Suspension from office; prohibition from further participation in conduct of affairs of institution; service of notice. (d) Statement of grounds for removal or prohibition; notice and hearing; order of suspension, removal or prohibition; service of order. (e) Stay of suspension or prohibition.	PART E—FARM CREDIT SYSTEM INSURANCE CORPORATION	
2265. 2266.	Suspension or removal of director or officer charged with felony. Hearings and judicial review. (a) Venue; closed hearings; decisions and findings of fact; orders; modification or other action by Farm Credit Administration; judicial review. (b) Judicial review; commencement of proceedings; filing of petition and record; exclusive jurisdiction; finality of judgment and decree. (c) Proceedings operating as stays of orders.	2277a. 2277a-1. 2277a-2. 2277a-3. 2277a-4. 2277a-5. 2277a-6. 2277a-7. 2277a-8. 2277a-9. 2277a-10. 2277a-10a.	Definitions. Establishment of Farm Credit System Insurance Corporation. Board of Directors. (a) Establishment. (b) Chairman. Commencement of insurance. Premiums. (a) Amount in Fund not exceeding secure base amount. (b) Amount in Fund exceeding secure base amount. (c) Secure base amount. (d) Determination of principal outstanding. (e) Allocation to System institutions of excess reserves. Certification of premiums. (a) Filing certified statement. (b) Contents and form of statement. (c) Initial premium payment. (d) Subsequent premium payments. (e) Regulations. Overpayment and underpayment of premiums; remedies. (a) Overpayments. (b) Underpayments. (c) Failure to file statement or pay premium. (d) Effect on other remedies. General corporate powers. Conduct of corporate affairs; examination of System institutions. (a) Conduct of corporate affairs. (b) Examination of System institutions. (c) Oath, affirmations, and testimony. (d) Cooperation with FCA examiners. Insurance Fund. (a) Establishment. (b) Amounts in Fund. (c) Uses of Fund. Powers of Corporation with respect to troubled insured System banks. (a) Authority to provide assistance. (b) Authority to pledge or sell assets. (c) Subrogation. (d) Right to assets. (e) Insured System bank. (f) Effective date. Oversight actions by Corporation. (a) "Institution" defined. (b) Consultation regarding participation of undercapitalized banks in issuance of insured obligations. (c) Consultation regarding applications for mergers and restructurings.
2267. 2268.	Jurisdiction and enforcement. Penalty. (a) Forfeiture and payment; compromise, modification, or remitting by Farm Credit Administration; assessment and collection by written notice. (b) Factors determining amount. (c) Notice and hearing; final orders. (d) Judicial review. (e) Action by Attorney General to recover amount assessed. (f) Rules and regulations. (g) Payment into Treasury. (h) Directives as final orders.		
2269. 2270. 2271. 2272. 2273. 2274.	Further penalties. Replacement of suspended or removed directors. Definitions. Notice of service. Ancillary provisions; subpoena power; etc. Power to remove directors and officers.		
PART D—MISCELLANEOUS			
2275.	Government Accountability Office audit; report to Congress.		

Sec.		Sec.	
2277a-10b.	Authority to regulate golden parachute and indemnification payments. (a) Definitions. (b) Prohibition. (c) Factors to be taken into account. (d) Certain payments prohibited. (e) Rule of construction.		(b) Contracts. (c) Adjustment of assessments. (d) Surplus funds. (e) Preservation agreements.
2277a-11.	Investment of funds.	2278a-10.	Effect of regulations; audits. (a) Issuance. (b) Regulation by Farm Credit Administration. (c) Audits.
2277a-12.	Exemption from taxation.	2278a-11.	Exemption from taxation.
2277a-13.	Omitted.	2278a-12.	Termination.
2277a-14.	Prohibitions. (a) Corporate name. (b) Payments or distributions while in default. (c) Failure to file statement or pay premium. (d) Employment of persons convicted of criminal offenses.	2278a-13.	Transitional provisions. (a) Exercise of powers. (b) Limitation on assistance. (c) Issuance of stock. (d) Repayment.
SUBCHAPTER VI—ASSISTANCE TO FARM CREDIT SYSTEM		PART B—FINANCIAL ASSISTANCE CORPORATION	
PART A—ASSISTANCE BOARD		2278b.	Establishment of Corporation.
2278a.	Establishment of Board. (a) Charters. (b) Use of Capital Corporation staff.	2278b-1.	Purpose.
2278a-1.	Purposes.	2278b-2.	Board of Directors. (a) Board of Directors. (b) Rules and records. (c) Quorum required. (d) Chief executive officer.
2278a-2.	Board of Directors. (a) Membership. (b) Chairman. (c) Terms of office, succession, and vacancies. (d) Compensation of Board members. (e) Rules and records. (f) Quorum required. (g) Chief executive officer.	2278b-3.	Stock.
2278a-3.	Corporate powers. (a) In general. (b) Power to remove; jurisdiction.	2278b-4.	Corporate powers. (a) In general. (b) Power to remove, and jurisdiction.
2278a-4.	Certification of eligibility to issue preferred stock. (a) Book value less than par value of stock and equities. (b) Book value less than 75 percent of par value of stock and equities. (c) Mandatory determination of eligibility. (d) Implementation. (e) "Other similar equities" defined.	2278b-5.	Accounts. (a) Farm Credit Assistance Fund. (b) Financial Assistance Corporation Trust Fund.
2278a-5.	Assistance. (a) In general. (b) "High-cost debt" defined. (c) Minimum equity value. (d) Limitation.	2278b-6.	Debt obligations. (a) Issuance. (b) Conditions. (c) Interest payments. (d) Refinancing and payment of principal; defaults. (e) Administration.
2278a-6.	Special powers. (a) In general. (b) Suspension of assistance. (c) Undated letters of resignation. (d) Reports.	2278b-7.	Preferred stock. (a) Issuance. (b) Purchase.
2278a-7.	Administration. (a) Expenses. (b) Interim funding. (c) Assistance operations. (d) Access to FCA documents.	2278b-8.	Payments. (a) In general. (b) Authorization of appropriations.
2278a-8.	Limitation of powers. (a) Purposes. (b) Prohibition.	2278b-9.	One-time stock purchase. (a) Amount of stock purchase. (b) Computations. (c) Notice. (d) Institution requirements after notice. (e) Jurisdiction over actions.
2278a-9.	Succession. (a) Assets and liabilities.	2278b-10.	Exemption from taxation. (a) Assets. (b) Obligations.
		2278b-11.	Termination. (a) Financial Assistance Corporation. (b) Accounts.
		SUBCHAPTER VII—RESTRUCTURING OF SYSTEM INSTITUTIONS	
		PART A—MERGER OF BANKS WITHIN A DISTRICT	
		2279a.	Power to merge.
		2279a-1.	Board of directors.
		2279a-2.	Powers of merged banks. (a) In general. (b) Regulations.
		2279a-3.	Capitalization.
		2279a-4, 2279a-5.	Repealed or Transferred.

Sec.		Sec.	
	PART B—MERGERS, TRANSFERS OF ASSETS, AND POWERS OF ASSOCIATIONS WITHIN A DISTRICT		(c) Powers of Corporation.
	SUBPART 1—TRANSFERS BY FEDERAL LAND BANKS TO FEDERAL LAND BANK ASSOCIATIONS		(d) Federal Reserve banks as depositaries and fiscal agents.
2279b.	Transfer of lending authority.	2279aa-4.	(e) Access to book-entry system.
	(a) Voluntary transfers.		Stock issuance.
	(b) Direct loans and financial assistance.		(a) Voting common stock.
	(c) Regulations.		(b) Required capital contributions.
	(d) Mandatory transfer.		(c) Dividends.
			(d) Nonvoting common stock.
	SUBPART 2—MERGER OF LIKE AND UNLIKE ASSOCIATIONS	2279aa-5.	(e) Preferred stock.
2279c.	Transferred.		Certification of agricultural mortgage marketing facilities.
2279c-1.	Merger of associations.		(a) Eligibility standards.
	(a) In general.		(b) Certification by Corporation.
	(b) Powers, obligations, and consolidation.		(c) Maximum time period for certification.
	(c) Stock issuance.		(d) Revocation.
			(e) Affiliation of FCS institutions with facility.
	SUBPART 3—RECONSIDERATION	2279aa-6.	Guarantee of qualified loans.
2279c-2.	Reconsideration.		(a) Guarantee authorized for certified facilities.
	(a) Period.		(b) Other responsibilities of and limitations on certified facilities.
	(b) Reconsideration.		(c) Additional authority of Board.
	(c) Special reconsideration.		(d) Aggregate principal amounts of qualified loans.
			(e) Purchase of guaranteed securities.
	SUBPART 4—TERMINATION AND DISSOLUTION OF INSTITUTIONS	2279aa-7.	Repealed.
2279d.	Termination of System institution status.	2279aa-8.	Standards for qualified loans.
	(a) Conditions.		(a) Standards.
	(b) Effect.		(b) Minimum criteria.
			(c) Loan amount limitation.
	PART C—APPROVAL OF DISCLOSURE INFORMATION AND ISSUANCE OF CHARTERS BY THE FARM CREDIT ADMINISTRATION BOARD		(d) Congressional review.
2279e.	Approval of disclosure information and issuance of charters.		(e) Nondiscrimination requirement.
	(a) Disclosure of information.	2279aa-9.	Exemption from restructuring and borrowers rights provisions for pooled loans.
	(b) Notice of reasons for disapproval.		(a) Restructuring.
	(c) Federal charter.		(b) Borrowers rights.
		2279aa-10.	Funding for guarantee; reserves of Corporation.
	PART D—MERGERS OF LIKE ENTITIES		(a) Guarantee.
2279f.	Merger of similar banks.		(b) Guarantee fees.
	(a) In general.		(c) Corporation reserve against guarantees losses required.
	(b) Powers and capitalization.		(d) Fees to cover administrative costs authorized.
	(c) Board of directors.	2279aa-11.	Supervision, examination, and report of condition.
2279f-1.	Merger of similar associations.		(a) Regulation.
	(a) In general.		(b) Examinations and audits.
	(b) Procedures.		(c) Annual report of condition.
			(d) FCA assessments to cover costs.
	PART E—TAXATION OF MERGER TRANSACTIONS		(e) "Affiliate" defined.
2279g.	Transactions to accomplish mergers exempt from certain State taxes.		(f) Employees and personnel.
	SUBCHAPTER VIII—AGRICULTURAL MORTGAGE SECONDARY MARKET	2279aa-12.	Securities in credit enhanced pools.
2279aa.	Definitions.		(a) Federal laws.
			(b) State securities laws.
	PART A—ESTABLISHMENT AND ACTIVITIES OF FEDERAL AGRICULTURAL MORTGAGE CORPORATION		(c) Authorized investments.
2279aa-1.	Federal Agricultural Mortgage Corporation.		(d) State usury laws superseded.
	(a) Establishment.	2279aa-13.	Authority to issue obligations to cover guarantee losses of Corporation.
	(b) Duties.		(a) Sale of obligations to Treasury.
2279aa-2.	Board of directors.		(b) Expeditious transaction required.
	(a) Interim board.		(c) Limitation on amount of outstanding obligations.
	(b) Permanent board.		(d) Terms of obligation.
	(c) Officers and staff.		(e) Coordination with title 31.
2279aa-3.	Powers and duties of Corporation and Board.		(f) Authorization of appropriations.
	(a) Guarantees.		
	(b) Duties of Board.		

- Sec.
2279aa-14. Federal jurisdiction.
- PART B—REGULATION OF FINANCIAL SAFETY AND SOUNDNESS OF FEDERAL AGRICULTURAL MORTGAGE CORPORATION
- 2279bb. Definitions.
2279bb-1. Risk-based capital levels.
 (a) Risk-based capital test.
 (b) Considerations.
 (c) Risk-based capital level.
 (d) Specified contents.
 (e) Availability of model.
2279bb-2. Minimum capital level.
 (a) In general.
 (b) Transition period.
2279bb-3. Critical capital level.
2279bb-4. Enforcement levels.
 (a) In general.
 (b) Discretionary classification.
 (c) Quarterly determination.
 (d) Notice.
 (e) Implementation.
2279bb-5. Mandatory actions applicable to level II.
 (a) Capital restoration plan.
 (b) Restriction on dividends.
 (c) Reclassification from level II to level III.
 (d) Effective date.
2279bb-6. Supervisory actions applicable to level III.
 (a) Mandatory supervisory actions.
 (b) Discretionary supervisory actions.
 (c) Effective date.
2297bb-7. Recapitalization of Corporation.
 (a) Mandatory recapitalization.
 (b) Raising core capital.
 (c) Limitation on growth of total assets.
 (d) Enforcement.
- PART C—RECEIVERSHIP, CONSERVATORSHIP, AND LIQUIDATION OF FEDERAL AGRICULTURAL MORTGAGE CORPORATION
- 2279cc. Conservatorship; liquidation; receivership.
 (a) Voluntary liquidation.
 (b) Involuntary liquidation.
 (c) Appointment of conservator or receiver.
 (d) Judicial review of appointment.
 (e) General powers of conservator or receiver.
 (f) Borrowings for working capital.
 (g) Agreements against interests of conservator or receiver.
 (h) Report to Congress.
 (i) Termination of authorities.

§ 2001. Congressional declaration of policy and objectives

(a) It is declared to be the policy of the Congress, recognizing that a prosperous, productive agriculture is essential to a free nation and recognizing the growing need for credit in rural areas, that the farmer-owned cooperative Farm Credit System be designed to accomplish the objective of improving the income and well-being of American farmers and ranchers by furnishing sound, adequate, and constructive credit and closely related services to them, their cooperatives, and to selected farm-related businesses necessary for efficient farm operations.

(b) It is the objective of this chapter to continue to encourage farmer- and rancher-borrowers participation in the management, control, and ownership of a permanent system of credit for agriculture which will be responsive to the credit needs of all types of agricultural producers having a basis for credit, and to modernize and improve the authorizations and means for furnishing such credit and credit for housing in rural areas made available through the institutions constituting the Farm Credit System as herein provided.

(c) It is declared to be the policy of Congress that the credit needs of farmers, ranchers, and their cooperatives are best served if the institutions of the Farm Credit System provide equitable and competitive interest rates to eligible borrowers, taking into consideration the creditworthiness and access to alternative sources of credit for borrowers, the cost of funds, including any costs of defeasance under section 2159(b) of this title, the operating costs of the institution, including the costs of any loan loss amortization under section 2254(b) of this title, the cost of servicing loans, the need to retain earnings to protect borrowers' stock, and the volume of net new borrowing. Further, it is declared to be the policy of Congress that Farm Credit System institutions take action in accordance with the Farm Credit Act Amendments of 1986 in such manner that borrowers from the institutions derive the greatest benefit practicable from that Act: *Provided*, That in no case is any borrower to be charged a rate of interest that is below competitive market rates for similar loans made by private lenders to borrowers of equivalent creditworthiness and access to alternative credit.

(Pub. L. 92-181, §1.1, Dec. 10, 1971, 85 Stat. 583; Pub. L. 99-509, title I, §1032, Oct. 21, 1986, 100 Stat. 1877.)

REFERENCES IN TEXT

The Farm Credit Act Amendments of 1986, referred to in subsec. (c), is subtitle D of Pub. L. 99-509, title I, §§1031-1037, Oct. 21, 1986, 100 Stat. 1877, which amended sections 2001, 2015, 2075, 2131, 2159, 2205, 2252, and 2254 of this title and enacted provisions set out as a note below. For complete classification of this Act to the Code, see Short Title of 1986 Amendment note below and Tables.

AMENDMENTS

1986—Subsec. (c). Pub. L. 99-509 added subsec. (c).

EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99-205, title IV, §401, Dec. 23, 1985, 99 Stat. 1709, provided that: "The provisions of titles I, II, III, and VI of this Act [enacting sections 2152, 2161, 2199, 2200, 2216 to 2216k, 2219, 2219a, 2253, 2261 to 2273 of this title and provisions set out as notes under section 2001 of this title, amending sections 2002, 2012, 2013, 2031, 2033, 2034, 2051, 2052, 2054, 2072 to 2074, 2077, 2078, 2091, 2093 to 2096, 2098, 2122 to 2126, 2132 to 2134, 2151, 2153 to 2156, 2182, 2183, 2201, 2202, 2205, 2206, 2211 to 2213, 2221 to 2223, 2227, 2241 to 2246, 2248 to 2252, and 2254 of this title, and repealing sections 2152, 2247, and 2253 of this title] shall become effective thirty days after enactment [Dec. 23, 1985]."

SHORT TITLE OF 1996 AMENDMENT

Pub. L. 104-105, §1(a), Feb. 10, 1996, 110 Stat. 162, provided that: "This Act [enacting sections 2214a, 2219e, 2277a-10a, 2277a-10b, 2279bb-7, and 2279cc of this title,